

## ***Social Policy Statement***

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The ***Values of Ciba Specialty Chemicals*** state that

- we build trust through integrity and open communication
- we respect, stimulate and develop the potential of our employees
- and we act responsibly in environmental and social matters.

In its approach to social issues Ciba endeavours to follow ***internationally recognized guidelines*** such as

- Universal declaration of Human Rights, United Nations
- OECD Guidelines for Multinational Enterprises, OECD, 2000
- Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, ILO 1977
- Declaration on Fundamental Principles and Rights at Work, ILO 1998
- Freedom of Association and Protection of the Right to Organize, ILO Convention 87, Convention 98
- Elimination of Forced and Compulsory Labour, ILO Convention 29, Convention 105
- Elimination of discrimination in respect of Employment and Occupation, ILO Convention 100, Convention 110
- Abolition of Child Labour, ILO Convention 138, Convention 182.

Ciba recognizes that these guidelines do not in themselves have the force of law and can be fully implemented only in those countries which have given them expression in national legislation but ***to the greatest extent possible Ciba and the companies and joint ventures over which it has management control:***

- respect the sovereign rights of the states and obey the national laws and regulations of the countries in which they operate
- fully take into account established general policy objectives of these countries, their development principles and social aims
- favor close cooperation with the local community and publish on a regular basis financial and EHS data on all their activities world wide

Legal  
framework

<ul style="list-style-type: none"> <li>• maintain competitive standards of employment and good industrial relations</li> </ul>	Employees
<ul style="list-style-type: none"> <li>• respect the freedom of association of their employees in organizations of their own choosing</li> </ul>	Unions
<ul style="list-style-type: none"> <li>• recognize the right of their employees, in accordance with national law and practice, to have their representative organizations for the purpose of collective bargaining and negotiating terms and conditions of employment</li> </ul>	Employee representatives
<ul style="list-style-type: none"> <li>• offer conditions of work, wages, benefits, work time schedules which are competitive in local markets</li> </ul>	Working conditions
<ul style="list-style-type: none"> <li>• give high priority to employment training and development of their employees in all countries according to the same globally applied standards and criteria</li> </ul>	Training
<ul style="list-style-type: none"> <li>• refrain from any discrimination based on race, color, religion, age, national origin, sex, disability, trade union membership, political affiliation, marital or military status and interpret national laws and practices in favour of nondiscrimination to the largest extent possible</li> </ul>	Non-discrimination
<ul style="list-style-type: none"> <li>• do not tolerate behaviour that is sexually coercive, abusive or exploitative</li> </ul>	
<ul style="list-style-type: none"> <li>• do not engage in or support the use of child labour or forced labour</li> </ul>	Child labour, forced labour
<ul style="list-style-type: none"> <li>• provide a safe and healthy work environment and take adequate steps to prevent accidents and injury to health by minimizing the causes of hazards inherent in the working environment</li> </ul>	Health and Safety
<ul style="list-style-type: none"> <li>• ensure that all personnel receive regular health and safety training</li> </ul>	
<ul style="list-style-type: none"> <li>• maintain high standards to minimize impacts on the environment</li> </ul>	Environment
<ul style="list-style-type: none"> <li>• cooperate with local authorities and communities by providing accurate and timely information on potential impacts of their activities</li> </ul>	
<ul style="list-style-type: none"> <li>• support initiatives to promote greater environmental responsibility</li> </ul>	
<ul style="list-style-type: none"> <li>• prefer to transact business with organisations which demonstrate a comparable level of social responsibility</li> </ul>	Business partners
<ul style="list-style-type: none"> <li>• are ready to give advice to any business partner in the application of similar social policy standards.</li> </ul>	

This policy statement is available to the public<sup>1</sup>. Ciba is willing to enter into dialogue with any legitimate stakeholder which could lead to improvements in the Company's performance but Ciba does not seek certification against any external standard. Ciba considers its own employees around the world as the prime stakeholders in the area of social responsibility.

This statement has been approved by the Executive Committee in its meeting of July 8, 2002.

A handwritten signature in black ink, appearing to read 'Armin Meyer', with a stylized flourish at the end.

Armin Meyer  
Chairman of the Board and  
Chief Executive Officer

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<sup>1</sup> In internal and external communication on social aspects of its activities Ciba applies the definitions as set out by ILO.